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NOTIFICATION OF UPCOMING CHANGES IN MEDI-CAL CLAIMING REQUIREMENTS

Over the next several months, in an effort to become compliant with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the State Department of Mental Health is implementing significant changes to the Short-Doyle/Medi-Cal claiming system. These changes will impact all directly operated and non-governmental agency providers.

At this time, the Los Angeles County Department of Mental Health (DMH) is working with the State to finalize the business rules and claiming requirements so that the required changes to the Integrated System (IS) can be made prior to the February 1, 2010 final implementation date. In order to assure that all Medi-Cal claims submitted February 1, 2010 and thereafter meet the new requirements, there will be a transition period during which all providers will not be able to submit services as claims in the IS. Because of the Certified Public Expenditure process, non-governmental agency providers must be current and have all of their Medi-Cal claims submitted before ***December 1, 2009*** as **all** claims submitted to the Department on and after that date will need to be in the new State billing format required as of February 1, 2010. We expect non-governmental agencies to be able to resume claiming in February 2010.

All providers need to be aware of this information and prepare for the impact to their internal business operations. Effective December 1, 2009 claiming functions in the IS will be disabled for "ALL" providers. This means that Electronic Data Interchange (EDI) providers will not be able to submit any files and direct data entry providers will not be able to submit original claims, resubmissions, or voids.

The following IS clinical functions will be enabled:

- Enrollment of clients.
- Creation of episodes.
- Medi-Cal eligibility verification.

The following is a short list of things providers can do to prepare for the coming changes:

➙ Begin capturing and retaining the adjustment codes, adjustment reasons, and adjudication dates that are returned on Explanations of Benefits (EOBs) and 835s from other third party payers such as Medicare and private insurers.
➙ Make sure that third party benefits are properly identified and claimed for all clients. (Update financial records and the IS.)

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- Begin taking note of when clients are pregnant and/or when emergency services are rendered. This information will be required on claims in the new system.
- ***Make sure to stay current with claims submission. Non-governmental agency provider claims should be submitted to the IS within thirty (30) days of the date of service; however all claims must be submitted before December 1, 2009 prior to the cutoff. Please note that all Fiscal Year 2008-2009 claims should be submitted before December 1, 2009.***

Here is a link to the State Department of Mental Health's Information Technology Web Services where you can find more information and resources about the upcoming changes including links to the Companion Guides and planning documents.
https://mhhitws.cahwnet.gov/systems/sdmc/docs/public/short_doyle_-_medi-cal_phase_ii.asp.

We're here to help you…

If you have any questions or require further information, please do not hesitate to contact RMD at (213) 480-3444 or RevenueManagement@dmh.lacounty.gov.